



February 25, 2011

Miles Ferris  
City of Santa Rosa  
69 Stony Circle  
Santa Rosa, CA 95401

Pamela Tuft  
City of Petaluma  
202 N. McDowell Blvd  
Petaluma, CA 94954

Darrin Jenkins  
City of Rohnert Park  
130 Avram Avenue  
Rohnert Park, CA 94928

Krishna Kumar  
Valley of the Moon Water District  
PO Box 280  
El Verano, CA 95433

Damien O'Bid  
City of Cotati  
201 West Sierra Avenue  
Cotati, CA 94931

Paul Helliker  
Marin Municipal Water District  
220 Nellen Avenue  
Corte Madera, CA 94925

Re: SBX7-7 the Water Conservation Act of 2009 – Request for Regional Compliance

Dear Colleagues:

The Water Conservation Act of 2009 (SBX7-7) sets a goal of achieving a 20% statewide reduction in urban per capita water use at year 2020 and directs urban retail water suppliers to set a 2020 urban water use target. The legislation enables urban water suppliers to plan, comply and report on a regional basis by forming a regional alliance.

The purpose of this letter is to request your concurrence to comply with SBX7-7 on a regional basis and to define the regional alliance as one that includes water retailers' signatory to the Restructured Agreement for Water Supply (Water Contractors) and Marin Municipal Water District. Guidance provided by the California Department of Water Resources (DWR) indicates that to form a regional alliance, water suppliers must meet at least one of the following criteria including:

- Water suppliers are recipients of water from a common water wholesale water supplier;
- Water suppliers are partners with a common regional agency authorized to plan and implement water conservation; or
- Water suppliers join through appropriate geographic scales for which these methodologies can be applied.

Signatories to the Restructured Agreement for Water Supply and Marin Municipal Water District all receive water from a common wholesale supplier, the Sonoma County Water Agency (SCWA). Additionally, the same group of retail water suppliers are signatories to the Sonoma-Marín Saving Water Partnership Joint Powers Memorandum of Understanding (S-MSWP MOU). That MOU recited that “the Parties recognize that establishing common water conservation projects on a regional basis and applicable across political and jurisdictional boundaries may be a means of cost effectively conserving more water than would otherwise be conserved by an individual agency.” Commitments in the S-MSWP MOU additionally identify that each agency will designate a staff member responsible for proposing conservation projects that will increase water conservation amounts or efficiency including CUWCC BMP compliance, long-range and annual water saving goals (emphasis added) and other water conservation related tasks as directed by the Water Advisory Committee.

The Water Contractors and Marin Municipal have been working collaboratively with SCWA in developing our individual 2010 Urban Water Management Plans (UWMP). Each 2010 UWMP must address SBX7-7 requirements and include baseline gross water use and population, 2020 urban water use target and 2015 interim urban water use target, and compliance year gross water use and population. The collaborative effort noted above has identified that three of the Water Contractors (North Marin Water District, Town of Windsor and City of Sonoma) currently forecast to not meet the individual SBX7-7 targets; however, the collaborative effort forecasts that a regional alliance will comply. Compliance will be assessed by DWR both on a regional and individual basis. If a regional alliance meets its regional target, all suppliers in the alliance will be deemed compliant. If a regional alliance fails to meet its regional target, water suppliers in the alliance that meet their individual targets will be deemed compliant. Thus, there is no risk to those regional alliance participants which meet their individual targets.

The Water Contractors, including North Marin, Windsor and Sonoma, are committed to continued strong water conservation programs, as documented in recent reports to the State Water Resources Control Board (Attachment 1) and financial commitments recited in the S-MSWP MOU. The reasons for potential non-compliance by these entities vary. In North Marin’s case, the climate and relative large suburban lot size of predominant single family homes is the primary factor. For Windsor, it is the large Airport Business Park water use with minimal resident population; and for Sonoma, water use resulting from the large visitor base is forecast to trigger non-compliance.

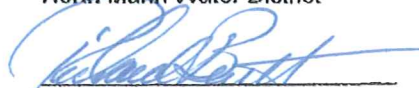
The penalty for SBX7-7 non-compliance is currently limited to a prohibition for state low-interest loan and grant funding for water related projects. It is speculated, however, that future non-compliance could result in a determination that the volume of water subject to non-compliance be classified as a non-beneficial use of water and potentially adversely affect water rights held by Sonoma County Water Agency or one of the retail agencies.

In summary, the undersigned request your concurrence to comply with SBX7-7 on a regional basis. DWR requires that a regional alliance send a letter informing of the formation and members. We believe the S-MSWP MOU can be the basis to create and manage the regional alliance. Once your concurrence is received we will work with your staff to fulfill all DWR requirements.

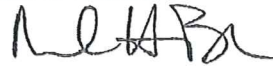
Sincerely,



Chris DeGabriele  
General Manager  
North Marin Water District



Richard Burt  
Public Works Director/Town Engineer  
Town of Windsor



Milenka Bates  
Public Works Director  
City of Sonoma

CD/r

T:\GMS\CW\2011\sbx7-7 regional compliance ltr to ww.doc